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Response to report that Bart Schwartz has been named NYCHA Federal Monitor

New York, NY (Feb. 21) -- The collective **Fight For NYCHA** that was formed to oppose the sale of **NYCHA** by Mayor **Bill de Blasio** (D-New York City) announced its opposition to the reported appointment of **Bart Schwartz** to serve as NYCHA Federal Monitor. Press reports have suggested that Schwartz has acted in ways to serve the interests of those who have appointed him as a private sector replacement for true Law Enforcement Agency oversight.

* Schwartz was named as a private monitor by Gov. **Andrew Cuomo** (D-New York) in a way that would reportedly give Schwartz insight into the U.S. Attorney's Office's investigation of the "Buffalo Billion" economic development program. When concerns about Schwartz's position became known to prosecutors, U.S. Attorney Preet Bharara reportedly warned Schwartz "not to interfere with the federal corruption probe involving the Buffalo Billion project."[1/] At the same time Schwartz was selected, in the opinion of the *New York Post*, to reportedly "deflect public attention" away from the investigation of the Buffalo Billion economic development program, he was actively bidding and receiving contracts from the **Port Authority of New York and New Jersey**, which is partially controlled by Cuomo. This revealed a conflict of interest and a potential compromise to Schwartz's independence.[2/]

* Schwartz was named in 2010 as a Federal Monitor by the U.S. Attorney's Office to oversee **Deutsche Bank** after the Bank admitted conducting a tax shelter scheme to help its clients hide billion of dollars from authorities. A settlement agreement was reached that included Schwartz's appointment as an outside monitor.[3/]

When Schwartz has been hired as a private sector monitor, he has faced criticism for having failed to provide oversight or recommend reforms to management, which are his duties as an outside monitor. This can be said of his time overseeing Deutsche Bank. Schwartz's record legitimately raises questions about his effectiveness of monitoring and reforming institutions he is hired and paid to oversee. As a paid outside monitor, Schwartz will not be democratically accountable to either NYCHA tenants or to New York taxpayers. Schwartz himself is the embodiment of failed, neoliberal outsourcing to the private sector of work that should be done by government officials, who can be held accountable. Thus, Fight For NYCHA opposes his reported appointment as Federal Monitor over NYCHA.

Fight For NYCHA is a collective of tenants, activists, artists, and advocates, who are protesting Mayor Bill de Blasio's announced proposal to sell 1/3 of NYCHA to private real estate interests in order to "save" NYCHA. We reject Mayor de Blasio's proposal because the money exists to save NYCHA. We just have to change our priorities.

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1 *See* Fredric Dicker, *Bharara to Cuomo investigator : Stay away from Buffalo Billion*, New York Post (30 May 2016), https://nypost.com/2016/05/30/bharara-to-cuomo-investigator-stay-away-from- buffalo-billion/.

2 *See* Chris Bragg, *Cuomo agent Bart Schwartz received Port Authority contracts*, Times-Union (02 Aug 2016), https://www.timesunion.com/local/article/Cuomo-agent-Bernard-Schwartz-received-Port-8765003.php.

3 *See* Grant McCool & Ben Berkowitz, *Deutsche Bank to pay $553.6 mln in tax shelter case*, Reuters (21 Dec 2010), https://www.reuters.com/article/deutschebank-taxshelter-idUKN2114597820101221.